



## **Livestock and Seed Program Audit, Review, and Compliance Branch Quality System Audit Report**

**Applicant:** Quality Assurance International Incorporated  
**Program/Audit Type:** National Organic Program/Accreditation for Organic Certification Organizations- Annual Update  
**Location(s):** San Diego, CA  
**Audit Date(s):** June 20 - July 29, 2003  
**Audit File Number:** NP3171A  
**Action Required:** Yes  
**Auditor(s):** Vickie Robertson  
**Contact:** Marian Casazza, Vice President, Quality Systems

### **AUDIT ACTIVITIES**

On June 20 – July 29, 2003, a representative of the USDA, AMS, LS Audit, Review, and Compliance (ARC) Branch conducted a review of annual update documents submitted by Quality Assurance International Inc. (QAI), San Diego, CA, to verify continued compliance to the USDA, AMS 7 CFR Part 205, National Organic Program (NOP).

### **OBSERVATIONS**

The following changes to the QAI certification program were submitted:

1. New Organic Compliance Plans and Companion Guides for:
  - a) Greenhouse producers
  - b) Mushroom Producers
  - c) Apiary
  - d) Restaurant
  - e) Retail
2. QAI Inspector's Guide to the Compliance Guides (intended as a training document for inspectors).
3. Revised Quality Manual dated March 2003, with a revised Organic Certification Program Service Contract attached.

The following information was submitted for the review:

1. Certification Files: 3 producers, 3 livestock, 3 wild crop and 3 handling
2. Annual Program Review: Dated April 1-April 3, 2003.
3. Performance Evaluations: VP Certification Services, VP Quality Systems, all reviewers, 10 Inspectors.
4. Training Documentation: Matrix dated 4/07/03 and QAI Inspector's Guide to the Compliance Guides.
5. Conflict of Interest Disclosure Reports: Same as performance evaluations. Also submitted a matrix of all personnel and contracted personnel with the conflicts listed on the individual reports.
6. Current Certification Activities: QAI client list dated 4/15/03. Application indicates currently, 162 crop, 15 livestock, 3 wild crop, and 866 handling clients. QAI also provided a list of States and foreign countries where certification services are currently offered.

QAI added two additional reviewers and had personnel position changes as indicated in the document, Personnel by Position Occupied, dated April 2003. The training matrix provided indicates the training that has been scheduled and completed for all current employees of QAI. The annual program review and response to the internal audit was completed on April 3, 2003.

The Organic Compliance Plans used by QAI continue to reference the requirement for clients to maintain a complaint file and notes the requirement to the NOP Rule 205.103(b)(4). **(NP3171GA NC1)** A review of the client files submitted indicated that minor non-compliances are not required to be addressed by the applicant until their annual renewal. Some of the non-compliances considered minor included; no documented pest control plan, and/or the documentation of use of possible prohibited substances in the control of pests, harvesting areas that were unmapped indicating adequate buffer zones, not providing adequate sourcing information of organic seeds and planting stock and inadequate filed histories. One file reviewed indicated an inspection report that clearly defined non-compliances, and upon review a major non-compliance was noted by QAI. The corrective action response from the client was in direct conflict with the inspection report and the review, but was approved. Certification was granted to this client with out further conditions. **(NP3171GA NC2)** The inspection reports and Organic Compliance Plans indicate that the inspectors and clients rely on the OMRI list and not the National List of Prohibited Substances to verify acceptability of inputs. **(NP3171GA NC3)**

## **FINDINGS**

The files and information submitted by QAI for the annual update comply with NOP requirements except as noted below. One Hold Point (HP) and two continuous improvement point (CIP) non-compliances were found during the review.

**NP3171GA NC1 – CIP** – The referenced NOP Final Rule section 205.103(b)(4) requires a certified operation to maintain records “sufficient to demonstrate compliance with the Act and the regulations”. Neither the Act nor the Regulation requires a complaint file to be maintained. *The Organic Compliance Plans used by QAI continue to reference the requirement for clients to maintain a complaint file and notes the requirement to the NOP Rule 205.103(b)(4).*

**NP3171GA NC2 – HP** - The NOP Final Rule section 205.405(a) states that when a certifying agent has reason to believe, based on a review of the information specified in 205.402 or 205.404 that an application for certification is not able to comply or is not in compliance with the requirements of this part, the certifying agent must provide a written notification of non-compliance to the applicant. *One file reviewed indicated an inspection report that clearly defined non-compliances, and upon review a major non-compliance was noted by QAI. The corrective action response from the client contradicted the observations of the inspector and the review conducted by QAI. For example, the inspector noted that on a clear day poultry was being confined without access to the outside. The client’s corrective action response indicated that they confined poultry during inclement weather. The client was approved based on the corrective action without a further attempt to verify information. Certification was granted to this client with out further conditions.*

**NP3171GA NC3 – CIP** – The NOP organic production standards allows only substances that are listed on the National List to be used in organic production (Subpart G-Administrative, The National List of allowed and Prohibited Substances). *The inspection reports and Organic Compliance Plans indicate that the inspectors and clients rely on the OMRI list and not the National List of Prohibited Substances to verify acceptability of inputs.*

## **RECOMMENDATIONS**

I recommend that Quality Assurance International address the non-compliances noted above by providing corrective and preventative actions in a timeframe specified by the NOP.